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Indonesia

Poultry and Products

Avian Influenza Update

2007

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Report Highlights:

On January 17, 2007 the provincial government of Jakarta issued a regulation controlling the raising and distribution of poultry. It's objective is to cut the chain of AI infection in poultry and humans. However, the effectiveness of the implementation remains a big question as there are some technical problems that need to be resolved.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Jakarta [ID1]
[ID]

AI Situation

The Indonesian poultry sector started 2007 with another outbreak of Avian Influenza (AI). The fatal disease also claimed four lives with two other suspected human fatalities within two weeks in early January 2007. Indonesia remains at the top of the list of countries with human fatalities caused by AI. Another positive case and several suspect cases are still being cared for at hospitals throughout Jakarta, Central Java, and West Java. The Provincial Government of Jakarta hopes to prevent the further spread of AI not only to humans but also within poultry by cutting the infection chain.

On January 17, 2007, the provincial government of Jakarta issued the Governor of Jakarta Regulation No. 15/2007 on Poultry Raising and Distribution Control. It requires Jakarta residents who raise chickens, ducks, Manila duck, swans, pigeons, and quail in residential areas to voluntarily consume, sell, or cull their poultry starting January 17, 2007. The government will give Rp. 12,500/head as compensation for culled poultry testing positive for AI. People are enjoined from raising the above-mentioned poultry in residential areas in Jakarta effective February 1, 2007.

Poultry earmarked for hobby, research, and education owned by a resident or an institution must have an animal health certificate. The Livestock, Fishery, and Oceanic Office of the province will issue health certificates free of charge. Well-managed poultry farms, collecting and slaughtering sites, and live poultry selling markets will be relocated to areas outlying and/or outside of Jakarta. The Jakarta government will issue another regulation to control live poultry distribution. Poultry belonging to violators will be culled.

The GOI Ministry of Domestic Affairs followed up the regulation by issuing the Min. of Domestic Affairs Circular No. 440/93/SJ/2007 on Avian Influenza Handling on January 18, 2007, extending the total amount of provinces that must be free of poultry in residential areas from initially three provinces (Jakarta, Banten, and West Java) to nine provinces (the three provinces plus North Sumatra, West Sumatra, Lampung, Central Java, East Java, and South Sulawesi).

Residents of Jakarta and the poultry industry expressed various reactions over the implementation of these two regulations. The high number of human deaths due to AI has increased awareness of the danger of the disease to humans and has led some owners of backyard poultry to hand over their poultry to the government for culling. Others oppose the regulation claiming that the mass culling is unfair and targets lower income populations, negatively impacting their source of income.

The commercial poultry industry reports that although the objective of the regulation is to control native chicken or other backyard poultry from roaming in the capital city of Jakarta to cut the AI infection chain, the commercial sector has suffered significant losses.

In spite of a safe chicken consumption campaign, media coverage of the AI victims has caused severe declines in poultry consumption. People are afraid to consume poultry and are reportedly switching to beef, fish, tempe, and tofu as protein sources. The sales of broilers reportedly on the first day the new regulations were implemented dropped by 40-50 percent in Jakarta and Tangerang while sales of broilers in Depok and Bogor dropped by 25 percent. Broiler stocks on farm in Jakarta were reported to be down by 20 percent since the human cases were notified in early January 2007. Attempting to maintain cash flow, the price of broilers weighing 1.4 – 1.6 kg at the farm gate level has apparently been increased by Rp. 700/kg (US\$ 0.077/kg at an exchange rate of Rp. 9,070/US\$1 as of January 23, 2007) from Rp. 7,900/kg on January 16, 2007 to Rp. 8,600/kg on January 22, 2007. Broiler prices at the retail level increased from Rp. 12,000/kg to Rp. 14,000/kg.

Feed millers reported no impact from the implementation of the regulations, as demand is stable. However, they are expecting a decrease in demand for feed should consumer hesitancy to consume poultry persist for another month.

Although the commercial poultry industry appears willing to cooperate with the government to prevent AI, the short period, unprepared personnel, yet to be finalized procedure for health certification, and undetermined location for the new collecting, slaughtering, and selling points, calls into question the effectiveness of the new regulations. Effective AI control will continue to require consistent and reliable policy and implementation from the government.